

ROUTING AND TRANSMITTAL SLIP		Date
		13 JAN 1986
TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1. EXO/DDA	EDM	13/1
2. ADDA	X	13 JAN 1986
3. DDA	X	13 JAN 1986
4.		
5. DDA REGISTRY		
Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

D/FINANCE RECEIVED A COPY,

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)	Room No.—Bldg.
	Phone No.

5041-102

* U.S.G.P.O.: 1983 - 421-529/320

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206

EXECUTIVE SECRETARIAT**ROUTING SLIP**

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	EXDIR		X		
4	D/ICS		X		
5	DDI				
6	DDA		X		
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC		X		
11	IG				
12	Compt		X		
13	D/OLL				
14	D/PAO				
15	D/PERS				
16	VC/NIC				
17	D/FInance		X		
18					
19					
20					
21					
22					
SUSPENSE		Date			

Remarks

STAT

Executive Secretary
10 JAN 86

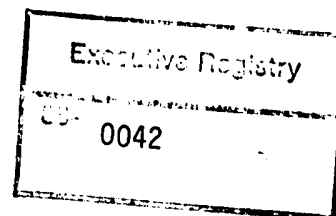
Date

3637 (10-81)



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

January 2, 1986



M-86-11

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM:

Joseph R. Wright, Jr.
Deputy Director

SUBJECT:

Use of Private Collection Agencies

On October 1, 1985, the General Services Administration (GSA) awarded contracts to four collection agencies to make available private collection services to all departments and agencies. This procurement was initiated by GSA at the request of the Office of Management and Budget to enhance the Government's debt collection efforts as part of the President's "Reform 88" effort.

We are disappointed at the lack of progress many agencies are making to identify seriously delinquent debt and turn it over to the contractors.

At a time when this Administration should be pursuing every opportunity to manage programs more efficiently, many agency representatives are indicating an unwillingness to use collection agencies to augment their collection efforts. We cannot understand this reluctance -- except that bureaucracies sometimes hate to turn anything loose -- even if it saves the taxpayer money.

As of June 30, 1985, non-tax delinquent debt owed to the Government was \$23.5 billion. Of that amount 76 percent is more than six months delinquent! Certainly there is plenty of collection work to be done, and much of that should be turned over to collection agencies.

Would you please make this a personal priority in your agency and make an assessment of your agency's progress in using collection agencies. We cannot, with a \$200 billion deficit, afford to drop the ball in this area. And we need to receive a schedule for placement of accounts including the number, amount, and category of debt by the end of January 1986 so we can tell if action has been initiated. Thank you.